Approved for Release: 2018/10/01 C02991969
ARCHIVES

~~TOP SECRET~~

3.5(c)

The National Intelligence Daily

Published by the Director of Central Intelligence for Named Principals Only

Copy No. 169

FRIDAY FEBRUARY 7, 1975 VOLUME 2, NUMBER 32

3.5(c)

NR

The Daily Summary

NR

ARGENTINA: President Peron's dependence on her principal adviser, Jose Lopez Rega, has become a major political liability. Lopez Rega could become the catalyst that brings the military back into politics, once the tide has been turned against terrorism. 3.5(c) (Page 2)

NR

Approved for Release: 2018/10/01 C02991969

Approved for Release: 2018/10/01 C02991969
TOP SECRET

NR

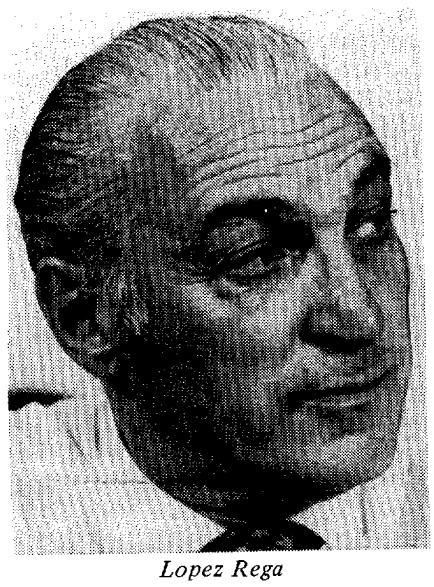
WESTERN HEMISPHERE

Dependence on Aide Hurts Argentine President

3.5(c)

The dependence of Argentine President Maria Estela Peron on the shadowy Jose Lopez Rega as her principal political mentor has become a major vulnerability. In the six months since Juan Peron's death, Lopez Rega has emerged as the de facto strongman of the regime, and his personality and power have alienated the Argentine military and the country's other power brokers.

- As minister of social welfare since Juan Peron returned to the presidency in October 1973, Lopez Rega has controlled over 20 percent of the national budget.
- As secretary to the presidency, Lopez Rega has the authority to coordinate all of the President's official activities and has access to all the information she gets from any public official. He formally assumed this job only last month, but the appointment merely legitimized a role he was already filling.
- As the government's unofficial coordinator for the fight against leftist terrorists, Lopez Rega is widely believed to be the mastermind behind the "death squads" that are trying to terrorize the terrorists.
- It is Lopez Rega's strong personal influence over the inexperienced and insecure President, however, that gives him his greatest source of power. Mrs. Peron relies on Lopez Rega as a political strategist, personal confidant, and for psychological support. She seems swayed by his mysticism; he claims to be in communication with the spirit of Juan Peron and makes no attempt to hide his involvement in the occult.



Lopez Rega

Lopez Rega serves as a kind of political lightning rod, drawing criticism to himself for administrative failures that might otherwise be blamed on the President.

Path to Power

Jose Lopez Rega had a checkered career before he met Juan Peron. He was a police corporal, a nightclub bouncer and singer, a small-time publisher. He wrote several books on astrology. He ingratiated himself with Juan Peron in Madrid in the mid-1960s and became the exiled leader's private secretary and bodyguard.

It is unlikely that Juan Peron, during this period, ever turned to his secretary for advice on important matters, but Lopez Rega did manage some of Peron's business interests and was the leg man in some of Peron's political and financial dealings. On Peron's return to power in October 1973, the loyal servant was rewarded with a cabinet job.

Mrs. Peron and Lopez Rega have been close friends for more than a decade and partners in a wide variety of business ventures. They are reported to be joint inheritors of Juan Peron's sizable estate.

Now 58, Lopez Rega is not a particularly adept administrator. Indeed, his performance as minister of social welfare has been mediocre. He is, however, adept at blackmail and at intimidating his opponents; he has steadily strengthened his position by arranging the appointment of sycophants and allies to high government positions.

He publicly scorns popular references to him as El Brujo (the sorcerer), but probably finds his reputation as a mystic useful in intimidating and confusing his enemies. Whether he takes his pseudoscientific interests seriously, they give him a sinister air and inspire widespread fear.

"I put out a bait for the enemy to play with, arguing about whether I am a great astrologer, warlock, or wizard; and while he is busy with that, I am able to work and serve my country....I have no time to listen to the barking dogs, I must ride on..."

Murky Atmosphere

It may be that no one person governs Argentina today. The inner workings of Mrs. Peron's administration are cloaked from view. From somewhere within, executive decrees and ministerial pronouncements emerge, and an inert Peronist-controlled legislature promptly ratifies them. The return of Peronism by popular mandate in 1973 has proved to be little more than the replacement of a military cabal by bureaucratic authoritarianism.

This murky, unstructured atmosphere is made to order for Lopez Rega. He has appealed to ultra-nationalistic, anti-Marxist, and anti-Semitic forces within Argentina. He has encouraged Mrs. Peron to take a political stance to the right of her late husband—a shift that has cut off communication with the moderate Peronist left and seriously damaged any chances for unifying the movement.

In the process, he has made many powerful enemies. In Argentina's hidebound, highly stratified society, he is regarded as an interloper by the leaders of all major pressure groups. Instead of attempting to mollify these critics, Lopez Rega antagonizes them, for example, by appearing at Mrs. Perons's side whenever she makes a formal appearance.

One of those Lopez Rega has alienated is Ricardo Balbin, the leader of the moderate opposition Radical Party. Juan Peron had started a dialogue with Balbin, but Mrs. Peron has let it languish. Believing that Lopez Rega is chiefly responsible, Balbin has denounced recent government actions and criticized the extent of Lopez Rega's power.

Protests have come from military commanders, who distrust the ties Lopez Rega is said to have with the minister of defense and the chief of the federal police. Although the commanders share with Lopez Rega a fear of the left and a goal of defeating leftist terrorists, the commanders think that he seeks to aggrandize his power at their expense.

Lopez Rega's earlier alliances with a number of other cabinet ministers and a key Peronist labor leader have cooled. He even has enemies in extreme right-wing circles.

An Unwanted Problem

Despite the wide range of this opposition, it is unlikely that any group or coalition will move decisively to depose him. They will try to contain and undercut him, but none seem willing to force the issue with the highly emotional President, who might resign and leave them all with an unwanted succession problem. This reluctance will probably last until the tide is turned in the struggle against terrorism.

Once terrorism ceases to be the major preoccupation, the armed forces could find ready support among political and labor groups to present Mrs. Peron with an ultimatum on Lopez Rega. Even if they did, it is doubtful that she would give him up.

Lopez Rega's role as a major actor probably will have a short run in Argentine politics, but he could be the catalyst that will bring the military back into politics. US observers on the scene see the possibility that a military-labor alliance will take power and impose a neo-fascist dictatorship. 3.5(c)

NR

NR

TOP SECRET
Approved for Release: 2018/10/01 C02991969

Approved for Release: 2018/10/01 C02991969

NR

Page Denied

Approved for Release: 2018/10/01 C02991969

Approved for Release: 2018/10/01 C02991969

NR

Page Denied

Approved for Release: 2018/10/01 C02991969